

Analyzing Female Entrepreneurship in A Global Context- The Challenges And The Road Ahead

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Abstract: *In both developed and developing countries women have always been associated with small-scale and home-based businesses for supplementing the household income. However, in recent times, many women are consciously giving up jobs for becoming entrepreneurs in formal as well as informal sectors. It is expected that by the year 2018, 9.72 million small, business-related jobs will be created and female entrepreneurs will contribute more than 50% in this job creation. These statistics prove that women are becoming more comfortable in assuming leadership position and creating job opportunities on a large-scale. Also, with more women launching exciting new ventures that are not just limited to small-scale business, it can be said that female entrepreneurship is reshaping the business landscape. However the situation is not entirely perfect since female entrepreneurs have to face certain unique gender-related challenges. The purpose of this theoretical paper is to highlight the unique aspects of female-owned businesses, find out the special challenges that women face because of their gender and discuss the strategies that they can consider for handling those challenges successfully. The findings can be helpful for women planning to launch their business or female entrepreneurs experiencing business-related challenges.*

Keywords: *female entrepreneurship, female entrepreneurs, small-scale business, home-based enterprises.*

I. Introduction

Over past some years, female-owned businesses have been growing rapidly in different countries of the world, supplementing household income and making significant contributions to national economics as well. While it is only recently that media and organizations are focusing on areas of female entrepreneurship the truth is that many women have been running small, home-based business since many years.

The world bank states that female-owned business are usually informal and operate within conservative sectors that include retail, health food and service over the years the situation hasn't changed drastically. Even in the 21st century female entrepreneurship is largely restricted to small or mediums firms. One report by global partnership for financial inclusions states that women-owned business represent 32-39% in very small scale SMEs and 17.21% in mid-sized companies these statistics highlight the fact that though female entrepreneurs are making significant contributions in the informal sector, they are yet to make their mark in the formal sector.

Definition Of Female Entrepreneurship

Female entrepreneurship is difficult to define as agreed definition of this term does not exist. Also the definition varies from one country to another. For this paper the author will accept the definition offered by OCED which states that "entrepreneurs are persons that have a direct control over the activities of an enterprise by owning the totality or a significant share of the international journal of interdisciplinary and multidisciplinary studies (IJLMS) business

Objectives

The objectives of this paper includes

- 1) To identify the unique aspects of female owned businesses in a global context
- 2) To identify the challenges faced by female entrepreneurs world wide
- 3) To suggest some practical solutions for coping these challenges successfully

Need Of Women Entrepreneurship

There has been a growing need in the society to administer and implement women empowerment to save and protect them from social evils and exploitations and for this purpose what is needed is to make them self-reliant and economically solvent. It is needless to mention that the women in the society have less of personal assets and money than the men and as such they are mostly dependent on others. All these make them really unhappy, ill fated and they have to remain confined for want of economic power. So it is highly needed and has become the cry of the day for the women to start business as entrepreneurs with their own skill and limited resources to break the vicious circle of financial deadlock

A society cannot be developed properly unless the women of it are developed since out of total population women comprise almost the half number. This is very significant for every economy to look into the matter how the women can be engaged in business to make them self-sufficient. Micro finance and SHGs can act as very useful and prominent tool to give a fillip to women entrepreneurship. Women with their traditional skill and talent can easily start small business in areas like supplying of food, tailoring, grocery, papad making, dress making and dealing in ready made garments toy making etc where capital investment are usually low and are within the reach of the women for procurement of requisite fund from the limited resources at their disposal.

However, in this respect it may be highlighted that the women shall be provided with all requisite help from their respective families by giving both mental as well as financial support to develop business of their own where male members can extend their whole-hearted support. Besides, government departments, NGOS individuals should come ahead to help women to set up small business and industries to make them self sufficient. This is needed for the balanced development of every economy.

significance of the study

Women entrepreneurship has become the buzzword in the present era of socio-economic set up of many of the world economics including India since the women are substantially suffering from various deadlocks for the lack of their economic independence, self-reliance, safety and security. Women entrepreneurship has become the Centre of attraction so as to make them free from all atrocities and violence on them. Women in the society have much of opportunity to come forward leaving their traditional activities for domestic helps and can undertake entrepreneurship for their livelihoods and also for extending support to the family as income earner. They have every capacity to set up and run business activities. They can create new jobs for themselves and for others and can provide various support services despite performing their domestic responsibilities. In many cases it has been rightly observed that women are more particular, dutiful as well as meticulous in their activities. They have the guts to take appropriate decisions in times of need. They are very much prone to save funds in many cases. If the women in the society are given some mental support and boosting, they can perform well. Despite all, the women in the society are highly neglected and in most of the cases they are deprived of the social status and they are victimized since they are not having financial, social and political powers

II. Methodology

This is a theoretical research paper, where the researcher has used secondary information produced by different authors social organizations and researchers. For acquiring necessary information, the researcher has explored various books, journals thesis as well as websites that have been mentioned in the reference section In this regard the following hypothesis will be tested by correlation analysis

- women early stage entrepreneurial activity is positively correlated with gender empowerment
- women established entrepreneurial activity is positively correlated with gender empowerment
- women early stage entrepreneurial activity is positively correlated with gender-related development index
- women established entrepreneurial activity is positively correlated with gender related development index
- women overall entrepreneurial activity is positively correlated with gender-related development index

III. Results And Discussions

Dimensions of female owned businesses

Many of us would love to believe that gender does not play any role in affecting business performance. After all what has gender got to do how well one runs his or her business. This is especially true for female entrepreneurs.

Women entrepreneurs experience unique challenges, have different ideologies as compared to men and these factors often make female owned businesses different from male owned businesses on several aspects. A survey conducted by us small business administration revealed that as compared to women men are more likely to start a business for earning money.

Women on the other hand, often start a business to maintain their work life balance.

In almost all countries of the world women are expected to bring up children almost single-handedly and for many of them, running businesses allow them to manage both childcare and a professional life smoothly of course while this is true for developed countries, the situation is different in developing countries.

In general for most women the motive behind launching the business is personal or emotional and so, they prefer to discuss these issues, when asked about their businesses. Men on the other hand prefer to discuss about growth and expansion of their businesses.

Also as compared to male entrepreneurs females are more hesitant and unsure of expanding their businesses .while men are almost always sure of expanding their businesses, females have vague ideas about the

future of their ventures. The job opportunities a business can create is a crucial indicator of its growth and in this respect, female entrepreneurs lag far behind their male counterparts.

Another crucial dimensions of female owned businesses is that they usually concentrate on sectors that are easy to penetrate and require low capital. Examples can include retail, restaurants health, beauty and grooming unfortunately these sectors are already overcrowded and this restricts growth potential of these businesses.

This data also contradicts the myth that firms owned by women tend to under- perform. National women's business council also echoes the same view as it states that a major portion of female-owned businesses operate in areas that bring in lower revenue on average. This in turn, limits growth and economic impact of those businesses automatically rather than performance of the firms.

Challenges faced by female entrepreneurs

Every entrepreneurs faces certain key challenges that range from getting finances to handling clients and completing projects within deadline women, however, face certain special challenges that the author intends to discuss

Access to finances

While it is true that every entrepreneurs struggles for obtaining finances for his or her businesses, the truth is that the problem is more acute for female entrepreneurs. Cross-cultural studies and other literature studies reveal tha one major reason why women It as compared to men, female entrepreneurs use limited start-up capital for launching their businesses

Managing family and business

As stated earlier, maintaining the work-life balance is one major reason why women launch their businesses. Unfortunately, the problem persists even for women who have been successfully running their businesses for many years.

Female entrepreneurs all over the world juggle work and family and want to know how to be a great mother and the CEO. For entrepreneurs who operate business from home, the situation is worse as they need to handle housework and business activities simultaneously. The general mindset is that since the women stays at home all day it is her duty to take care of her kids and households-related activities.

Gender pay gap

It is known fact that gender pay gap exists in the workplace surprisingly this gap exists even in case of self employment.

Lack of education and necessary experience

Many female entrepreneurs have a traditional educational background and so, don't passess the skill that are required for running a business.

Marketing

Female entrepreneurs often experience challenges while marketing their businesses one study revealed that 61% of female entrepreneurs in Pakistan consider marketing their business as a problem

Coping with the challenges

As stated earlier, access to finances is one of the major problems experienced by female entrepreneurs. A practical way of dealing this problem will be to build a working capital of at least six months before launching the venture in the market. It is crucial for female entrepreneurs to ensure that there is sufficient money for running the business and meeting expenses without incurring excessive debt

Female entrepreneurs should be taught self as well as life skills. While self skills such as interacting with clients and negotiation skills will help them to run business smoothly, life skills such as managing time, building networking skills will allow them to lead a richer and fulfilling life.

Female entrepreneurs can also be paired with mentors who can guide them insharpening their networking business skills and often other valuable advice. The mentors can also expense the entrepreneurs to critical resources that will widen their exposure and help them to grow their businesses.

IV. Conclusion

It is true that even in the progressive, modern 21st century female entrepreneurs have to experience various unexpected challenges. Also as compared to male entrepreneurs, they are less sure about expanding their businesses. Irrespective of those difficulties, women entrepreneurs can leave their mark in the field of entrepreneurship. Performance after all has nothing to do with gender. Examples of female entrepreneurs based in different countries prove that women possess the capability strength and intelligence to overcome any type of obstacle and establish their own powerful identity. Finally making the society sensitive towards female entrepreneurs is important. Most female entrepreneurs struggle hard to maintain a balance between work-life and the situation becomes more challenging, if the family does not accept their activities.

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